SUB-SAHARAN AFRICA
FACES OF POVERTY-FOCI FOR ITS REDUCTION

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Give a rich man less food
And he will grow thin.
Give a poor man less food
And he will die

- African Proverb

A fish feeds for a day,
A fishing net for life.

- ibid

In as much as ye have done it
To the least of these my brethren,
Ye have done it unto me.

- Christian Gospel

I.

NAVIGATING A SEA

Poverty is omnipresent in Africa at all levels from the isolated individual through the continental, even though **not all Africans nor even all African countries are poor**. For nearly **two decades poverty has been growing** in absolute numbers and proportions of people, peoples and countries afflicted. Those are simple, brutal realities.

There is **little argument that poverty is a bad thing**, nor that both increased capacity to consume and increased participation - in production and in society - are desirable at all levels. At least verbally almost all African governments, international institutions (not least the World Bank and UNDP), bilateral donors, domestic social sector bodies and international NGO's and most enterprises and business persons declare **halting and reversing the rise of poverty** - and especially of absolute poverty - to be **a priority**. In most cases they do devise and devote resources to programmes aimed at poverty alleviation or reduction. But the **results to date are largely ones of substantial mitigation** (survival) **some alleviation** (reduction of suffering) and, perhaps, **slowing the pace of growth of poverty** and increasing the numbers of less poor or not so poor households.

Why? If a problem is massive, recognised as such and the object of action to reduce it one might expect better results. For the sake of all - not just poor - Africans, African peoples and African countries one needs to begin to fulfil such expectations quickly.

However, the **1979-1996 record suggests the wisdom of thinking, planning several steps ahead and prioritising before rushing into action**. To that maxim there is **one exception - survival**. Survival is a **precondition for either alleviation or reduction** of poverty. Therefore, especially - but not only - in the face of natural calamities and man made catastrophes (dominantly drought, and massive violence respectively) action to preserve life is needed. That rubric applies with equal force to relatively low cost, life saving programmes such as vaccination/immunisation/oral rehydration.

The **humanitarian impulse** to save life is not wrong. However, it is **open to abuse** - e.g. Operation Turquoise was a 'life saving' cover for the withdrawal of the Interahamwe leadership and armed forces to Zaire - and **by itself** does little to rehabilitate lives and livelihoods or to reduce vulnerability to future disasters.

In devising and articulating any strategy with a reasonable chance of enabling people and countries to reduce poverty at least twelve **over-riding and interlocking considerations** stand out:

1. **peace and security** to live daily lives without violent interruption from any source (including government) is never enough but without it there will be little else;

2. **survival is a precondition** for alleviating (i.e. making less painful) or reducing poverty but is neither the whole of the first nor any large part of the second;

3. **temporarily poor** (because of personal, household, community or other disasters from accidents through wars) **rapidly become structurally and permanently poor unless** not merely survival safety nets but also **livelihood rehabilitation** assistance are available to them;

4. because SSA has limited resources and almost unlimited poor people (about 33% absolutely poor and over 50% poor by World Bank standards and under 5% at 'global' lower middle class consumption standards) priority is necessary to **enhancing the ability of poor households and persons to produce** and thereby to earn their way out of poverty;

5. because **absolutely poor households** are near or on the very edge of survival (and indeed have much shorter life expectancy patterns - especially for infants, young children and aged) **priority** should be given to ensuring both their **survival** and the **means** (not least basic education and health) to enable them - or at least their children - to **produce more**;

6. a host of small, add on poverty reduction (or in practice alleviation) projects separate from main macroeconomic and sectoral production strategy are more likely to dissipate resources than to reduce poverty. **If poverty reduction primarily through production enhancement is to be an operational strategic goal then it must be an integral part of macro and sectoral economic strategy, resource allocation and monitoring.** Inefficient (in terms of numbers of poor households substantially enabled) poverty reduction approaches are not justified by invoking poverty as a mantra. By reducing the number of households enabled, they harm poor people and perpetuate, or at least slow, the reduction of poverty;

7. **some poor persons and households** (because of impossible ratios of usable hands to work to mouths to feed or broader national livelihood opportunity gaps) **cannot be fully enabled**. For them **safety nets** (not least either family, social sector or national old age pensions and food supplements) are the only means to alleviating poverty now and of preserving the chance of future empowerment of some household members - especially children - in the future;

8. **vulnerability to negative shocks is a substantial cause of poverty** (including war, the dominant cause of the recent increase in the proportion of absolute poor Africans); therefore measures to **reduce future vulnerability** (from repairing rural water supply systems through drought early warning and response systems to regional broadly defined security promotion councils) are integral to new poverty prevention and, therefore, total poverty reduction;

9. **not all poverty reduction focused programmes can be identified simply from looking at poor households and their incomes.** For example if rural traders and transporters do not have access to vehicles and working capital they will stay not so well off or not so poor instead of becoming well off or rich. But the poor small farming households denied market access by the traders' weakness will be locked into poverty and frequently absolute poverty. **Linkages like these are among the reasons poverty reduction needs to be integrated into overall macro and sectoral analysis;**

10. poverty has several faces. **Absolute inadequacy of ability to consume basic personal** (e.g. food) and **public** (e.g. health services) **goods** is one and **at or near the**

survival level the most important. Access to means to enhance livelihood and participation in society is another. **Social (including political) exclusion** - for whatever reason - is a third. **Vulnerability** is arguably a fourth. While correlated these aspects are not identical and in some cases diverge quite markedly. Philosophical (or institutional aggrandisement oriented) debate on the 'best' definition or measurement or formulation are not much to the purpose of reducing poverty, but neither is an unconsidered assumption that poverty is either self defining or identical in all contexts;

11. **strategies to reduce poverty, therefore, need to be contextual. Broadly applicable principles do exist** but their **detailed articulation, interrelationship and application to be efficient require grounding in contextual realities not least the conditions, perceptions and ambitions of actual poor people**;

12. the contextual point, the sheer scale of poverty, the absolute scarcity of resources and the fact that poor persons and individuals and households in society requires **approaches going beyond government** (and in particular beyond central government) in seeking foci for reduction. One need not romanticise historic African societies nor deny changes over the past half century to recognise the **continuing roles extended families and local communities can play** (and he assisted in playing) nor in the potential for **fuller domestic social sector** (mosques, churches, temples, women's groups, trade unions farmers associations) **action to provide both safety nets and paths upward out of poverty**. Co-ordination not isolation or conflict, division of labour not domination, are the means to reinvigorate these means. And in the last analysis **poverty reduction** (and indeed to a large extent even alleviation and survival) **depends on poor people. They are the main means as well as the end and the justification. It is because of - not despite - that reality that they do have an overriding claim on states and societies for means to make their efforts effective.**

Taken separately each of these propositions may appear distinctly less than striking in either novelty or new potential programmatic power. A majority of poverty specialists and a rather larger one of poor people would agree with each - albeit in the first case perhaps not with all of them. Even the sixth - on incorporation of poverty reduction into macroeconomic and sectoral strategy is not so much challenged as to validity as ignored or trivialised in practice and the last receives lip service albeit programmes all to frequently contradict it.

Nor - as the points on contextuality and on broad social/governmental front co-responsibility underline - can these considerations by themselves form a 'do it yourself' kit for an effective poverty alleviation and reduction programme. They are guidelines, elements, a check list of elements not to be overlooked, not a cook book nor a five year plan.

However, there is a difference in the joint presentation of these twelve interlocking propositions and most approaches to poverty which either focus on two or three or with one more analytically and intellectually oriented with less 'immediate' policy orientation. The present analysis seeks to outline a **holistic approach to poverty reduction - a basic diet for enabling poor households, persons and communities to become less poor**, not a smorgasbord or a pick and choose a la carte menu and least of all a nutritional study not tied to actual ingredients, techniques or dishes.

Evidently any one of the points could usefully be (and most have been) the topic of papers, studies, volumes. To treat all twelve exhaustively, whether in general or for one specific context, in the balance of this essay would be an exercise in futility. What follows are:

a. a reflection on historic poverty in SSA;

b. and the diversity of changes in the past few decades;

c. as well as the distinct differences in responses and results with some thoughts on plausible explanations.

The conclusion returns to some of the twelve guidelines in the context of these explanations.

II.

PRIMORDIAL? PERVASIVE? PERMANENT?

Discourse on the history of poverty in Africa is overly influenced by two stereotypes: a roseate denial that it existed - except as minor temporary exceptions - and an assertion that it has always existed, usually in more or less its present form and was more severe prior to colonial rule. The area is not well researched, but enough is known to challenge both of these views. It is of importance to do so not merely because false history is all too often a tool to false governance as well as an obstacle to learning from the past, but because both the nature and the alteration over time of African patterns of poverty have at least a certain relevance to present strategic articulation.

The core group of poverty afflicted persons in pre-colonial Africa were **isolated individuals** or incomplete families (e.g. widows with children) unable to produce adequate livelihoods and **cut off from families or home communities** to assist them. These individuals stand out in early accounts of poverty in Africa whether in Gao, the Kingdom of the Kongo, or Ethiopia. The numbers - absolutely or as a proportion of population - are not, at least to date, estimateable with any claim to accuracy. Because populations were lower and societies were tighter knit with less mobility, they were both absolutely and relatively less than today. In addition they varied - apparently with social cohesion and family obligation patterns. For example, the weaker upland Ethiopian family systems seem to have given rise to higher levels of overt, abject poverty there.

How to compare poverty - beyond survival levels - when wants/needs/accessible goods were so different from today's is a matter of considerable obscurity. Clearly there have been some overpopulated (relative to livelihood opportunities with actual knowledge and fixed capital stocks) areas for centuries, but less than today. Limited (though frequently far from negligible) market opportunities and even more limited investment channels (beyond livestock which was in itself a food reserve) or client/supporter/relative support base development (which tended to redistribute) did reduce both motives for extreme inequality and the likelihood of massive lack of access to food in normal years.

Clearly health levels were lower and mortality (especially infant and young child) higher than subsequently - radically higher than since the 1960's - but largely because the knowledge of how to provide basic medical services including prevention existed nowhere, not just not in SSA. Education access levels were usually low and comparability with modern education poses problems. There appear to have been exceptions - in respect both to traditional and to early European contact related education. For example, compulsory primary education was adopted (if never completely enforced) in the Merina Kingdom of Antananarivo before it was in France and attendance levels as a proportion of population before the French conquest were not gained for at least eighty years.

But it can be argued that dire, absolute, hopeless poverty resulting from lack of access to land and livelihood was less pervasive in pre-colonial Africa than today. Whether colonialism and/or more livelihood diversification related to more market access and consequential urbanisation hand in hand with growing population and related environmental damage is the primary cause of that negative shift is a rather different question.

However, **two major exceptions** exist to any such a stretch of lower average absolute poverty levels and the absence of upward trends in them. The sketch applies in the **context of peace** and **absence of climatic disasters**. **War and drought were the dominant juggernauts plunging pre-colonial African societies and nations - as opposed to isolated individuals or small groups - into absolute poverty and death.**

Drought appears to have led to the break up of many pre-colonial states in the West African Sahel, the Horn and probably more widely. The market, transport and storage capacities of these states (or indeed of any states dependent on rainfed agriculture with a high risk of crop failure under pre 19th Century market and transport conditions) could not cope with multi year droughts and resultant dearths. These tended to lead to massive population flight and - the inverse of the present - to urban exodus because cities do not produce food and were not then bases for massive drought relief imports.

War had similar dislocative impact and - as a result - entailed massive loss of food production. As with post 1970's African conflicts the loss the life was primarily displacement and food/water deprivation related not the direct result of combat.

War and drought were interlocked. A **starving empire might strike out for food** (increasing starvation and displacement as it pillaged and destroyed stocks). The Mauritanean dynasty's conquest of Morocco may well have been a response to prolonged drought in Mauritania.

The **clearest case of interaction - because best recorded - is the Southern African mfacane** (breaking) era of the first half of the 19th Century. It was triggered by imperial advance - the British from the Cape (and the Boers fleeing British rule on treks to the central plateau) and the creation of the Zulu Empire. Both spewed out fleeing remnants of broken clans and peoples. Those who went north founded empires in what are now Southern Zimbabwe and Southern Central Mozambique which succumbed to colonial rule only very late in the century. Those driven into the central plateau whirled about in working bands/fleeing mobs. The dislocation alone led to huge loss of life - drought worsened them. Only Khama the Great's building of a new nation state out of fragments of broken peoples with the Lesotho Mountains as a defensive core proved a viable 'answer'.

The mfacane illustrates - as do the slave collecting wars in West Africa and the rise of the Abomey Kingdom as a pure pre-colonial neo-colonial state (with several clear relatives in areas of Portuguese entry) - the massive pre-colonial conquest impact of European involvement and particularly of the slave trade. The loss of life from battle and, especially, displacement and disruption of food production was far greater than the number of slaves taken.

Because the **asset holdings of pre-colonial SSA were largely in food or cattle** - both vulnerable to war and drought - and because **no global humanitarian or rehabilitation aid** existed, post drought and/or post war existence was characterised by **poverty for years or decades before a** 'normal' level could be regained. Presumably it also secularly deterred urbanisation because with low rural household output/family food requirement ratios (surpluses per rural household. For sale or requisition) substantial, growing towns required reasonably large, not so poor, secure rural populations - conditions recurrent drought and war made rather more the exception than the rule.

III.

POVERTY UNDER COLONIAL RULE

Colonial rule had one early and one later positive influence on poverty levels and through these reductions altered the makeup of poverty.

Colonial rule - at least once firmly established which in some cases was within this century - did enforce the **absence of war and of high levels of sustained, generalised violence** and, at least in many cases, colonial police did enforce **aspects of law and order positive to production and trade by rural and urban African households**. Certainly many of the conflicts ended had been enkindled by earlier colonial interventions and assuredly colonial law and order was neither based on consent nor equally beneficial to Africans and Europeans (and up to a point other minority communities) even outside settler colonies. That said, peace, security and the ability to produce and trade were, in general, enhanced and vulnerability to personal violence and the loss (whether by theft, displacement, or destruction) of property reduced.

The African dimensions of European wars reduced the net gains, especially in 1914-18, but only partially offset them. African First World War settings were limited and SSA Second World War ones negligible. War abroad do not disrupt production, displace households and thereby multiply combat deaths tenfold. Africans did pay a price in terms of resource diversion (including shipping and available grain supplies) and especially of colonial levies lives lost abroad. But these were less than the costs of pre-colonial wars and especially of the high noon of the slave trade and the initial colonial conquest era.

After about 1920 the combination of the internal combustion engine, a skeletal road system, an acceptance that government had a duty (and a capacity) to prevent mass famine deaths and access to global grain markets led to **radical reduction in the number and scope of killing dearths consequent on droughts**. Indeed famines with massive death tolls, while not unknown, remained endemic only in Ethiopia where all four of the causal criteria for change were very weak.

Thus peace/security and famine relief/food importation did reduce the number of deaths from violence and disaster under colonial rule. Enhanced survival, some alleviation (food relief) and the ability from survival and lessened malnutrition to rehabilitate production when the rains returned did reduce shock poverty and enhance opportunities to climb back out of it.

Beyond those categories of poverty, it is **unclear colonial rule changed levels so much as makeup**. Output per capita did increase, but not very rapidly and to a large extent to the benefit of non-Africans. Mobility to less population confined areas or to better quality land phenomena. The apparent fall in death rates (increase in population growth) after 1900 would appear until the 1960's to owe more to reduction of direct and indirect war and drought deaths than to better medical services. As with wage employment, commercialisation of small farming household livelihoods and urbanisation the roots were laid in the colonial period but the main build up and results (outside South Africa) are post 1960.

IV.

1960-1996: EVOLVING POVERTY PATTERNS

To argue that poverty has remained either monolithic or structurally unchanged since colonial rule or that it has pursued a highway of broad inexorable advance is at the least to over generalise and probably to be quite wrong.

Especially **since the 1970's two types of poverty have risen again after being radically reduced in the colonial and held low in the early independence periods**. These are **war/violent civil disorder** and **natural calamity** related poverty. That assertion should not be misread. It does not argue that independence made wars inevitable (nor drought response weaker). A number of conflicts in SSA have, at the least, been deepened and exacerbated by non-African intervention (especially in Southern Africa and the Horn); 'solutions' to African wars have shown resilience and potential for survival when - and only when - African 'owned', broadly understood, and widely accepted (if sometimes only because of exhaustion). Nonetheless, it is a fact that in the 1980's at least **2,000,000 Africans died** directly or indirectly from armed conflict and that the **economic losses** in damage and unachieved production probably approached **$200,000 million** (distinctly more than total SSA net capital inflows over the decade). The impact on poverty and the implications for poverty reduction strategies at local, national and sub-regional levels should be obvious.

The increased damage done by **calamities** also appears to date to the 1970's. In part there have been negative climatic changes (whether cyclical or secular is unclear) and in part greater vulnerability because population growth has crowded more people into high risk areas and caused negative environmental use and quality changes. However, two other factors seem likely to have dominated the poverty - and especially the death - impact:

1. **recurrent shocks in the context of general economic stress over-stretched and eventually broke household, family, community and national safety nets and response systems;**

2. **wars prevented effective famine alleviation and past drought restoration of farming** resulting in immediate death and continuing exacerbation of absolute poverty levels from the baneful interaction of no rain and no peace.

The first factor has apparently been especially prominent in West Africa and the second in the Horn, Southern Africa and parts of Central Africa.

Rural poverty and absolute poverty have probably risen in a number of non war or disaster afflicted areas for a variety of reasons:

a. terms of trade declines - particularly for export crops - with falls in unit purchasing power driving real incomes down;

b. loss of secondary income - particularly from construction employment - as the construction industry has cut back;

c. worsened market access resulting from poorer infrastructure;

d. increased drought vulnerability resulting from shifts of the cultivation frontier to areas characterised by lower and more erratic rainfall and - for pastoralists - consequential loss of 'reserve' bad year pastures leading to higher animal loss ratios and, for many household, permanent immiserisation through total or near total loss of core herds

However, these patterns are not universal. Small farming families have in many cases experienced improved real unit prices and better market access with urbanisation - e.g. in several districts of Ghana's Eastern and one in its Central Province. By the same token food deficit small farming households with cash income from export crops with terms of trade declines - e.g. coffee growers in Rwanda and Burundi who are net beans or maize buyers - have been doubly squeezed. There is **little evidence to suggest that in general rural personal consumption capacity has declined sharply in non-war afflicted countries** e.g. Tanzania, Kenya, Nigeria. A **relatively constant proportion of absolutely poor households** includes some to many **new poor** balanced by **successful exit** from poverty of other households.

What has declined radically is access to basic public services - notably health, education, water. Since 1979 average per capita access to these services has declined on the order of 40% (relatively stagnant overall delivery levels and rising populations). Even for those not afflicted by war 20% per capita declines appear typical generally with water most and health least severely eroded. This decline is concentrated in rural and new, low income exurban areas. In the former pre existing services have often collapsed while in the latter - especially if their main growth has taken place over the last two decades - they have never been established. The decline has been least in centre cities and economically central rural areas, though in these substantial quality declines appear to have taken place. The impact is most severe on poor people - the cost of reasonable quality private health and education services are usually quite beyond their capacity to pay and the ones which can be afforded (at the cost of poorer diet, clothing and shelter) are - with limited domestic social sector exceptions e.g. the Tanzanian Christian Social Service Commission - usually very much poorer than the public services to which access has been lost.

Urban poverty has risen markedly absolutely and as a proportion of population. For SSA as a whole in the early 1960's urban population was perhaps 10% of national and urban absolute poverty 10% of urban population or 1% urban to national absolute poverty. By the mid-1990's of the order of 10% of absolute poverty was urban with over 30% urban population and over 25% urban absolute poverty.

Available analysis is not particularly helpful in analysing the changes. **Real urban wages** have fallen dramatically - often by 75%. That, however, is not a guide to household consumption power because **labour force participation** (especially by women) has risen sharply as has forced development secondary sources of income by wage earners. "**Informal sector**" (usually meaning unrecorded and thus not an entirely helpful category since it includes unrecorded wage earners, casual labourers, individual or household petty businesses and not so poor or not poor micro and mini enterprises proprietors) incomes have on average fallen but have risen absolutely, relative to formal wage incomes and - less clearly - as a proportion of urban household incomes. The chief reason - for the average fall and the total expansion - is the **proliferation of activity in low entry barrier occupations** e.g. street trading and casual labour. Because the **majority of urban households have both "formal" and "informal" income sources** purely informal sector individual income stream analysis is, by itself, no more helpful in estimating household poverty outcomes than real (formal wage) level monitoring.

There is evidence **urban/rural per capita income differentials have not in general widened much since 1980** - largely because of real food price growth in many countries. There is **little to suggest they have narrowed** so that the sharp growth in urban population share must be paralleled by an increase in urban share in total national output. Taken together with rather **static real per capita personal consumption averages (an increasing share of decreasing output per capita at the expense of public services and domestic savings)** that implies that the increasing proportion of absolutely poor and poor urban households is within a **trend of increasing inequality in urban income distribution**.

Within these overall trends there have been very substantial shifts by category and by household. **Civil servants and low skilled wage earners have fared particularly badly** with the partial exception of senior civil servants able to construct opaque allowance structures to offset real salary collapse. **Large scale formal sector businesspersons** (and their enterprises) probably were among the **hardest hit prior to the late 1980's** but have **reversed this decline** in later liberalisation phases, while flexible, reasonably well informed **middle scale businesspersons** (formal and informal, legal and alegal or illegal) have **in general fared very well**. The data on and observations of smaller legal formal and informal businesses are very mixed suggesting complex context or line of business patterns of change.

V.

GOVERNANCE: A NOTE

Governance is directly relevant to poverty reduction but in ways somewhat different from those fashionable in current African discourse or in external preaching at Africa. Poor people do want governance and do not inherently view states, or their law and order agencies, as enemies and they do care about participation but much of the debate on the nature of states, on competitive elections, on equal, fully effected participation and on civil society (as opposed to specific social sector and local community institutions) is far removed - not just in language but also in priority concerns - from their needs and pleas.

The provision of **peace and security is vital - most of all to poor people**. Poor Tanzanians in Kagera looking across the borders of Rwanda and Burundi can and do give very clear expression to that fact.

Capacity to deliver basic services: primary health and education, access to basic infrastructure and to markets, agricultural extension, water and emergency relief (survival) and rehabilitation (return to production) is crucial to poor and to vulnerable households for survival and for enabling them to recover from absolute poverty and to have a chance to climb out of poverty. Neither the concept of state - social sector - user joint provision nor of selective direct cost contributions by user are inherently objectionable to poor people. The issues are practicability adequacy of services and accessibility (and thus levels and forms of charges).

Functional public services are recognised by poor people to be essential to the provision of services as are bureaucracies (in the Weberian sense of orderly structures of action and of decision taking). Quest for services are acceptable if reasonably timeous delivery of reasonably adequate outcomes is provided. **Paying sub-subsistence wages to public servants** (e.g. $25 to 150 a month rising to $75 to $750 instead of - say - $50 to $500) is **not**

a demand of poor people. They know such pretence at paying leads to absenteeism, poor service quality, privatised-personalised user charges, corruption, failure to collect taxes from rich people - none of which are in the least in their interests.

Poor people do demand **transparency and accountability** - i.e. to know what government is doing and why and to have some means to influence it by calling politicians and public servants to account for their actions, or inactions. The concept of **ability to make an effective input into those decisions and processes which affect them directly** (and therefore at least implicitly a call for decentralisation) is well known and supported.

Traditional African governance systems strongly suggest most **Africans do not view representation as something strange nor reject the concept of a diversity of interest groups** being represented and pursuing their own - necessarily interested - agendas via their representatives. However, they do **not** suppose good governance to be a **congeries of leaders cynically pursuing their personal or small group interests and nothing more**. Poor people who believe such rapacious governance to be endemic do not so much accept as withdraw and cope - avoiding government exactions and collecting crumbs of patronage and corruption as fall their way. That quasi acceptance/quasi distancing results from a realistic view that **by themselves poor people can rarely change systems - they need allies whether leaders who hold themselves to be accountable to poor people or allied powerful interest groups**.

Poor peoples' perceptions and expectations of governance are usually highly **contextually and historically bounded**. What is expected is either the best that was (or is now perceived to have been) delivered in the past or - under less crushing conditions - that plus at least some new initiatives. Tanzanian demands for access to decent quality public services - and for honest lenders - is related to past (and to a considerable degree present) results, to systematic leadership pronouncements, at least partly backed by actions and allocations, that such provisions were a central duty of governments and to a history of being able to defeat leadership candidates (including incumbents) they perceived as incompetent, corrupt or poor household unfriendly. Not all Africans have equally high expectations but even in cases of near total disintegration of governance - e.g. Sierra Leone, Somali - quite ordinary people clearly seek restoration not some form of anarchy, nor a New Jerusalem mode of governance. The 'back to British patterns' ethos in Somaliland governance rebuilding efforts is a striking example not accurately interpreted as a literal desire to restore the Protectorate *per se*.

Three additional points can usefully be made:

1. **poor people are limited in breadth and depth of knowledge** - their views on complex policies and institutions are unlikely to be either well informed or profound. Poor people are people with **the limitations as well as the rights and strengths general to people**.

2. **free and fair competitive elections can be useful to poor people** - they give far more leverage over representation and policy than most other means of leadership selection and replacement. That is at least substantially independent of whether they are multi party or even of the probability of systemic (as opposed to partial) leadership change. For example, Botswana and Tanzania leaders and policies have clearly been influenced toward universal access to basics and at least significant attempts (not always well designed or managed) to reduce poverty because the leaders faced electorates most of whom were poor and who had one or more other candidates to choose from, even if to date (though not necessarily much longer) neither leadership has faced any real probability of systemic rejection if only because of the weakness, division and/or implausibility of alternatives.

3. **Genuine prioretisation of absolute poverty reduction and substantial progress in that direction via improved access to basic services and to markets is not necessarily associated with fully participatory, transparent or accountable governments.** Indonesia and South Korea (especially under military regimes) are striking cases. The macro economic, social stability and security advantages of poverty reduction can be convincing to authoritarian states and there is no 1 to 1 correlation between personal authoritarianism and lack of humanitarian concern. This reality makes mobilising to launch strategic assaults on absolute poverty rather less daunting, especially as states which are moderately authoritarian but not kleptocratic nor unconcerned with citizen/subject welfare have been much more common than deeply participatory, transparent and accountable ones historically in pre and post colonial SSA, or indeed in all but a relative handful of states anywhere (not excluding Europe).

VI.

DIVERSITIES IN EXPERIENCES: GUIDES TO DIRECTIONS?

The shifts in poverty - both absolutely and relatively - in SSA since 1979 are by no means homogenous. Their diversity gives some insights into what is disastrous and *per contra* what can be done.

The first striking point is that the increases in proportional absolute poverty - and the, to date, less frequent decreases - relate primarily to **war and its cessation**. Because Angola, Mozambique, Sierra Leone, Liberia, the Sudan, Ethiopia, Eritrea, Somalia/Somaliland, Rwanda, Burundi, Zaire, Uganda, and Namibia comprise almost two fifths of Africa's people the horrendous increases in death and in absolute poverty resulting from war (including the fatal interactions of war and drought) dominate average trends. Excluding these countries it is doubtful that absolute poverty as a proportion of population has risen significantly. Even that does mean a 40% increase in people afflicted because of population growth.

Since 1989 absolute poverty - in respect to nutrition and to access to health and to education though less so in respect to livelihoods - has declined in Namibia. The changes since 1992 in Mozambique, Ethiopia and Eritrea are even more dramatic. Basically the end of war has made it possible for rural households to produce food and the decline in war expenditure combined with safe rural access has enabled reconstruction or (in the Horn cases) expansion of access to basic public services. Uganda's 1986-96 trajectory is similar although - at least until 1994 - the reduction in military costs and the increase in access to public services for poor people (largely because of 'contribution' levels) were less marked.

Extreme state decapacitation has had similar impacts to war whether initially associated with mass violence (as in Zaire and Liberia) or initially flowing more from corruption and retreat from almost all civil responsibilities (as in Sierra Leone), albeit the latter process tends to end in violence even if not initially caused by it. A decapacitated state cannot respond to calamities, provide basic services, ensure personal security nor operate a legal and administration framework protecting poor people from the predatory rich (especially if the latter have in large measure 'bought up' the state).

Substantial state weakness well short of collapse has less severe consequences in those areas (e.g. urban Mozambique) and sectors (e.g. health and nutrition in Tanzania and urban health in Zambia) in which capacity remains and to which priority is given. Its poverty - and electoral - impact are negative but less massively or predictably than in "collapsed" states.

Early warning and response to droughts - especially in the SADC Region and - less uniformly - Sahelian West Africa has alleviated poverty, reduced deaths from post famine dearth to very low levels and - to a point - bolstered rural household and community capacity to restore production when rains return. The *locus classicus* - especially as the warning, mobilisation and in region operation were predominantly African with external cooperation - is Southern Africa 1991-1993 when only in war ravaged Angola and Mozambique were deaths substantial, severe malnutrition was contained and with the exception of pastoralists with very severe stock losses and war afflicted populations rapid restoration of livelihoods was feasible. Attempts to build in vulnerability reduction - including less risky rural water supply and both food and wage distribution approaches related to public works and averting flights from the land have been less successful. The most apparent reason is the division of labour between emergency/humanitarian and development wings in aid bodies. The greater success of the Botswana programme tends to affirm this interpretation. Less poor Botswana can, and when necessary does, finance the food and works entirely from its own resources.

However, the results on reduction of the drought impact on poverty - most strikingly in Ethiopia and Eritrea where the shift is post 1992 - also relate to the priority given and to a leadership belief that "Drought is inevitable. Famine is an avoidable disgrace". That conviction has been inherited in Botswana and Tanzania from the late colonial era and is by now a near universal background assumption. However, it is new in the Horn. The results are clear under the Emperor Hailie Selassic famine was perceived as an inevitable consequence of bought and little priority given to life saving and distress alleviation. Under his successor Mengistu, the perception of the possible changed and a competent, professional Relief and Rehabilitation Commission established; but neither life saving nor poverty alleviation were Mengistu's (as opposed to R and R's) priorities. Those were to raise external finance and to use displacement (and ecological conditions) as a tool in containing the insurgencies eventually leading to his downfall by selective allocation of food, selective compulsory resettlement. Famine as a disgrace became the theme only in 1992 and - after a technically weak start - meant that 1994-5 drought results on death and poverty were qualitatively different from the comparable (in weather and water terms) 1974-5 experience. Similarly the new Eritrean state has built on its revolutionary period commitment to food provision to ensure low drought damage to poor people and interwoven post-war and post drought rehabilitation to achieve a qualitative upward shift in base ('normal' year) food production which reduces vulnerability by widening the output loss margins before a crisis and the time windows for organising a response.

Safety nets beyond basically rural drought or war relief have remained largely at the weakening extended family and home community levels with some offsetting strengthening of neighbourhood groupings (especially of women) and social sector units (especially religious). State actions have either been in wage earner social security (limited in coverage and extent) and universal old age pensions (not yet fiscally practicable beyond Namibia, South Africa, Botswana, Mauritius and the Seychelles i.e. well under 10% of SSA). Urban public works and poor household focused food or basic means supplementary programmes have tended to be too small fragmented and disarticulated to have notable (or often discernible) impact.

The Mozambique urban food supplement programme which by 1996 had reached perhaps 400,000 urban absolutely poor (75%) and poor (25%) in 80,000 households is an exception. It is one underlining the importance of political commitment, a handful of competent/dedicated public servants and a simple/innovative operational structure augmenting existing personnel (in health services and local government in this case). On the face of it if Mozambique can operate such a programme for about $10 million a year with its personnel and institutional limitations, then generalisation should be possible. In fact special strengths of and features in urban lowest tier local government and in mother and child care plus sustained backing by key ministers during a difficult build-up are not likely to be available in most cases.

Linking relief to household output rehabilitation has been less well developed than immediate emergency drought relief. Part of the problem relates to lack of time during a crisis to work through return to production components and to post drought weakness (at public service and financial source levels) inhibiting future vulnerability reduction measures.

The one set of measures relevant to output rehabilitation now reasonably broadly built in to drought relief is **prompt delivery to village distribution points** to avoid the human (and relief) costs of massive displacement during the crisis and of delayed or aborted ability to prepare land and return to cultivation on the return of the rains. Provision of replacement (for stock eaten prior to arrival or in the absence of relief food) **seed** is also relatively common. So are *de facto* or *de jure* agricultural and co-op loan write-offs but these primarily benefit not so poor farmers; poor small farming households have little to negligible access to formal credit sources.

Future vulnerability reduction turns on water supply - both for crops and for livestock and human beings. During an emergency what can be done is limited - though not necessarily negligible in respect to well and small catchment system repair. Over a larger inter drought time period more can be done but often is not - e.g. Bulawayo and Beira have had endemic, worsening water supply/demand imbalance since the early 1980's and were known to be vulnerable to severe droughts from mid 1980's experience but entered the 1991-93 Great Drought/Dearth with no major augmentation schemes fully designed let alone in process. Both came within weeks of needing to be - quite literally - evacuated; neither five years later has a full scale vulnerability reduction set of water works in process.

The means to vulnerability reduction are contextual and in large measure, technical. Irrigation - especially large scale - is not relevant to most small farmers and in cases like Zimbabwe where many downstream reservoirs already receive no or negligible inflow in drought years is not self evidently technically viable. In many rural areas in Southern Africa over 1991-93 population dislocation resulted primarily from lack of human and livestock drinking water (not food relief) which could have been alleviated by earlier pump, well and minor reservoir repair and selective additional well digging/borehole drilling.

Ethiopia and Botswana have utilised **public works wages for food (and food for work)** most extensively. However, the two approaches have been quite different. Botswana's drought works represent a step up/spin-off from the main ongoing rural public works programme's labour intensive, District based component. It is intended to provide three months work to all (including women) adults seeking it during drought years. The projects, while intended to be useful, tend to run down to rock borders to village roads (or whitewashing them) when responses to long droughts work through the stock of more priority small works. Finance is basically national and payment is uniformly in cash both to avoid weakening the rural commercial network and to take account of the income supplement (not simply basic food provision) aspect of the drought impact alleviation programme.

Ethiopia's **food for work** programmes grew out of the work of the R and R Commission from the 1984 drought/famine onward. The reasons for using food for work were fourfold:

1. external assistance was largely restricted to humanitarian purposes (because most funders opposed the Mengistu regime) and was to a substantial extent in the form of physical food;

2. a major distributor - WFP - was oriented to food for work programming;

3. Ethiopia had an extensive backlog of small scale rural infrastructural needs from minor roads and bridges through public buildings to erosion control and reforestation which could not be addressed by a state budget increasingly drained by civil war military expenditure;

4. the depth and breadth of the drought - together with a highly centralised, one channel, urban market directed, to a substantial extent enforced state procurement and marketing system - meant that cash wages would not have guaranteed ability to buy food in many areas.

The postwar Ethiopian government has chosen to seek to build from this base to a more prioritised and costed labour intensive public works programme. The urgency of rural infrastructure rehabilitation and extension remains as does that for substantial basic food imports. The more positive attitude of funders helps make complementary cost (tools, design, supervision) resources, available while the substantial decentralisation should facilitate project identification and management. However, the limited managerial capacity and previous focusing of main public works programmes and institutions on the large scale sector and on capital intensive construction poses problems for combining large scale programming (necessary for rural income/food augmentation) and cost effective construction of pre prioritised and designed works.

Labour intensive public works as a means to combat poverty in general and specifically during drought impact alleviation and rehabilitation enhancement would appear a self evident **priority**:

1. in both rural and low income urban areas substantial numbers of small scale construction - rehabilitation - maintenance projects suitable for decentralised, labour intensive implementation exist;

2. ILO projects (as well as many WFP ones) in SSA demonstrate that labour intensive construction linked to income augmentation (whether in cash or food) can be highly cost efficient and is most unlikely to have higher total (or as high foreign exchange) costs than medium or large scale contractor/machinery driven approaches;

3. even weak District governments can usually operate construction teams (as in some cases can local construction enterprises) and most Regional/Provincial (as well as some District) governments ca provide design and supervision;

4. reducing scale and decentralising implementation facilitates gaining user insights priorities and coordinating with community based schemes;

5. the major secondary income source for small scale farming households in much of rural SSA is - or used to be - semi seasonal wage income often largely from construction. Economic and fiscal stringency and war have seriously eroded these flows in many countries while drought and postwar recovery output lags have increased its potential importance;

6. rural commercial network recovery is hampered by low rural purchasing power which could - if wages were paid in cash - be bolstered by works programmes.

Despite this apparently convincing set of reasons, labour intensive public works are not widely practised in SSA and are usually (by governments, analysts and donors) seen as somehow inferior and interim:

1. small scale labour intensive projects have little or no political or technological sex appeal:

2. donors prefer large projects handled by substantial external contractors both because they offer more business opportunities to have suppliers and are easier to design and oversee;

3. when - under recipient or own consultant pressure - funders do restructure toward greater labour use (as the World Bank has in urban renewal and the UK's ODA in provincial road

reconstruction in Mozambique) the shifts tend to be tacked on to a large contract/foreign contractor/machinery core model rather than to be part of a more full fledged design and scale rethink;

4. small projects linked to users and District governments with Provincial technical and design backup within a nationally coordinated prioritisation framework do involve substantially more coordination work and intra unit coordination and work/knowledge of a type not previously associated with Poverty Reduction Units (however titled) which have rarely related to central resource allocation or project and institutional mechanism design/selection;

5. in a context of extreme resource scarcity and frequent external shocks inertia and overwork combine to make new approaches unlikely unless literally necessary or backed forcefully by higher political and technical levels;

6. much food aid - especially that via WFP - is hard to monetise to provide wages rather than physical food despite the commitment of its providers to market mechanisms.

As noted Botswana has a longstanding District level public works programme and Ethiopia is seeking to evolve one. Ghanaian subcontracting of maintenance has included some contracts to small scale labour intensive rural construction enterprise and relatively successful ILO labour intensive projects (as well as WFP food for work ones during calamities and catastrophes) have been carried out. But except in the first two cases - and, in national intent but not yet funder response, Mozambique - it is hard to describe labour intensive works as a strategic production/poverty reduction tool rather than as a peripheral poor household food or cash injection afterthought.

Productivity enhancing strategies are hard to evaluate partly because they have rarely been monitored and partly because the main issue is not one of separate programmes for poor people but of effective access to mainline extension, credit and market access, training and related programmes for poor persons and - in particular - for women.

Fairly clearly agricultural programming related to small farming households has some - and perhaps increasing - priority in respect to extension and to research - usually to a lesser extent because farmer to extension worker to researcher feedback is usually weak. How effectively it meets needs of absolutely poor households and especially female headed ones (including land access and secondary income access which is likely to be a public works, rather than an agricultural, extension issue) is unclear - scattered cases suggest it is frequently ineffective because these groups are almost literally "invisible", even more to field workers than to senior personnel.

Some positive signs exist. Zimbabwe's once settler plus African 'middle class' focused to the virtual exclusion of small farming households has restructured toward universal access and small farmer friendliness in principle and does appear to have begun to reach well over half of all farming households. The Tanzania service - whose problems have been relevance, training and tested knowledge to extend appears in recent years to have made some progress in all these aspects as well as its involvement in the nutrition extension programme which is its first to be oriented primarily to women farmers. SADC (from its beginning as SADCC) has focused on drought resistant, small farming household friendly grain and legume research and on data banking national experience and information relevant to small farming households.

Urban productivity enhancement has a poor record of coherent analysis, of linking employment generation to needs and capabilities of absolutely poor people and of being on a scale adequate to do more than chip at the margins of urban absolute poverty. It is not at all clear - rather unlike the rural context - what coordinated set of initiatives would be appropriate. Diversified skill oriented adult education, credit and specialised service access for small enterprises (whose - usually non recorded - employers are a substantial portion of those economically active in the informal sector), general education and primary health service access, urban labour intensive approaches to public works construction and maintenance (within not tacked on to the main infrastructural strategy) are elements. Whether more is needed or practicable, and if so what, is less than self evident.

Botswana probably has the largest (relative to urban population) and most diversified coverage in respect to these approaches. In addition it has a formal sector employment creation incentive programme intended to be the labour analogue to initial allowance and accelerated depreciation incentives to fixed capital investment. The actual results and efficiency (in programme cost to household income gain ratio terms) are a subject of controversy and there has been no evaluation of the overall impact of the whole package nor of the -presumably - divergent cost/benefit ratios of its components. Further Botswana - like Mauritius which has in practice concentrated on formal sector job creation incentives and both formal and vocational adult education plus public works - has a capacity to spend on such programmes much higher than other SSA polities/economies.

The most successful and broad coverage response appears to be in Botswana. However, the Botswana ongoing rural works, special drought income loss offset works and build-up to a universal old age pension are in a context reducing the proportion of poor households and facilitating extended family absolute poverty alleviation transfer safety nets. Because **output growth** has been high and dominated by sectors with substantial surpluses it has been possible to maintain buoyant fiscal revenue flows to **fund and sustain progress to near universal basic service and infrastructure access**. Similarly **employment** - especially but not only in basic service provision and construction - has been raised sharply, public service real wages (and as a result medium and large scale private) kept well above household absolute poverty lines and the incomes of a significant minority of rural households sustained at (raised to not so poor or higher levels. Therefore at least a third of Botswanan households are in a position to **continue 'traditional' risk sharing, transfer payment and related poverty alleviation and livelihood rehabilitation channelling complementing those of the state**.

Botswana is **not a generally applicable model**. Parallel output growth and, especially, fiscal revenue growth is not generally possible - EU beef import allocations and diamonds cannot be produced by political well even allied to technical competence and good bargaining. But Botswana is **not just 'lucky'**. Without the political - technical - bargaining inputs neither the services/infrastructure, not so poor to well off household proportion nor the rural livelihood injection/drought relief expansion and sustainment would have happened. **Gabon**, for example, has at times had the **means to pursue strategies broadly similar to Botswana's** as - over 1973-75 and 1979-82 at least - did **Nigeria. Manifestly they did not do so.**

The general 'lessons' from Botswana's experience are arguably:

a. output growth and increasing the proportion of households at not so poor levels or above matter;

b. Raising the share of public revenue out of increased output is equally crucial;

c. with basic services and infrastructure the appropriate main expenditure priorities;

d. backed up by reasonably output/cost efficient labour intensive works and drought relief seeking to maintain health and - via employment - ability to meet nutritional needs;

e. with rate of progress toward the services - infrastructure - safety net goals keyed to trend revenue projections with windfalls (from revenue bursts or capacity to expand limits) held as external reserves to smooth by sustaining growth of these core activities when output/revenue growth are below trend.

Even in the Botswana case it is hard to argue that the overall strategy has been worked through as a whole even if its components have been. But it does meet the test of enhancing household productivity on a broad front, creating opportunities/incentives to raise the proportion of non-poor household, providing effective safety nets and carrying out these priorities within a medium term "economic good housekeeping frame" of external, fiscal and price parameters (managed and manageable imbalance).

If it difficult to relate trend increase in proportions of poor people to other events with one clear exception **high levels of violent conflict, especially but not only war on the soil of the afflicted country**. Tanzania has had significant military operations in respect of the liberation and defence of Mozambique, repelling Ugandan invasion and supporting the liberation of Uganda and averting spillover of violence across its Western frontier. Each has had a substantial negative fiscal impact and - given actual spending patterns - on basic service provision and infrastructural maintenance but much less than would have been the case had war been within Tanzania. In that sense the preventive military strategy was probably cost efficient in respect to poverty. South Africa under apartheid also illustrates the lower macro and systemic costs to a state of keeping the war abroad - in Angola, Mozambique, Namibia and peripherally Botswana and Zimbabwe. It also shows the impact of a massive defence and defence industry budget on public services, fiscal balance, output expansion, external balance and growth. In the South African case both sanctions as such and the equally effective sanction of loss of lender/investor confidence multiplied these impacts. The latter (foreign enterprise "animal spirits") cost of war in general even if the overall sanctions campaign was unique to the Old South Africa.

In the short term **calamities** (especially drought, secondarily displacement resulting from mass forced return of emigrant workers and also drought) have a sharp negative impact in poverty levels. If survival and rehabilitation measures are moderately effective and land for return to production available it is not clear that there is a major trend impact.

Economic collapse or sustained economic unsuccess - for whatever reason - does raise poverty levels especially in rural areas in respect to services and to ex urban ones in respect to household incomes of those newly arrived fleeing rural poverty. However, this is less clearly true of low (2% to 3%) trend growth whose impact on poverty depends substantially on basic service, market access and income distribution policies.

Growth above 4% a year is apparently a **precondition** in SSA for sustained absolute poverty reduction, except in respect to basic service access in immediate post colonial periods (e.g. Mozambique 1975-81). It does not appear to be a sufficient condition e.g. Nigeria has in fact had trend output growth well above the SSA average since the end of its civil war, but since the mid 1980's absolute poverty - both urban and rural - has risen and average basic service access deteriorated.

Public policy priority to poverty reduction does appear to have a positive impact so long as backed by resource allocations and by limits in absolute cuts in basic services, rural infrastructure and other poverty reduction oriented programmes. For example Tanzania's probable 40% absolute poverty proportion has been static on a trend basis since the early 1970's fluctuating primarily with weather and overall economic success. The problem in interpretation - in Tanzania and more generally - is that specific policy and result causal linkages are hard to demonstrate. Emphasis on rural basic services and infrastructure plus agricultural research/extension **and** incentives to growers are paralleled by a three and a half decade trend of food production growth above that of population and of declining urban/rural differentials. The problem is that many of the instruments used were arguably inappropriate and much of the implementation (especially in marketing and pricing) seriously to colossally inefficient. Nonetheless the parallel clear policy and outcome differences from SSA as a whole at least suggest that political policy and resource allocation do matter and, on balance, did achieve something in constraining poverty.

Reasonably well defined, analysed, funded and operated **priority sectoral initiatives** do yield positive results. The two striking clusters are drought relief and young child health and nutrition. The differences between these and other poverty alleviation/reduction focused activities are in part explicable by relatively greater access to additional external support in both cases and to the information provision, mobilisation, catalytic and pump priming roles of UNICEF in the second. However, the diversities of programme scale, innovatory elements, apparent national priority and administrative effectiveness cannot be explained by the external supportive factors which are largely uniform nor by external negative ones - e.g. the radically higher Mozambican than Angolan performances on urban child vaccination, mother and child clinics and infant and under 5 mortality do reflect different prioritisation in respect to fiscal and personnel resources.

Similarly resource constraint differences between Botswana and Tanzania may largely explain the greater sophistication of Botswana's drought early warning and dearth relief programme and its integration with labour intensive public works. But Tanzania's low administrative technology maize and beans distribution to senior female household members in drought or flood afflicted districts does work: food is secured, dispatched and distributed; famine and mass flight from the land do not result; fiscal rebalancing is treated as necessary, but as a follow-up to relief not a reason for not doing it. The probable conclusion is of different resources and the same priorities requiring using different means.

Similarly in respect to child nutrition, the heartland of the most innovative programme is rural Tanzania. Whatever UNICEF's catalytic and resource mobilisational roles (which were crucial in the early years) the dynamic of expansion coordinating Agriculture, Health and local governments through a National Institute of Nutrition and basing activities on village women's committees in cooperation with public service employees depends on sustained Tanzanian prioritisation from political leadership through village households. The flowering of a range of - largely female livelihood enhancing - projects under committee auspices is (in scale at least) a Tanzanian grassroots initiative not expected - even if welcomed - by the government and

UNICEF. The data on mortality are patchy but on malnutrition clear - sustained falls from 6% to 10% down to 1% to 2% in severe child malnutrition. These falls are resilient in the face of drought. The spin off activities are so diverse and decentralised as to be hard to evaluate but the fact that they continue to exist and to expand strongly suggests poor women perceive them as "paying off".

Poverty reduction strategy as a whole is not comparatively evaluateable because no clearly articulated, holistic strategic formulations have been implemented for sustained periods. Basic services-basic infrastructure-employment-growth-safety nets may well be the main components needed. Some countries do include all of these strategically but in parallel, often without coherent articulation and rarely with *ex ante*, let alone *ex post*, analysis of interactions and trade-offs. That this can work moderately well under conditions of overall economic buoyancy and prove resilient to short term shocks is illustrated by Mauritius, Botswana and 1967-1978 Tanzania. The loss of overall poverty reduction momentum in Tanzania since 1978 suggests that inter sectoral coordination, articulation and interaction analysis plus ongoing tactical and managerial input focused monitoring may be much more crucial in periods of overall per capita output stagnation or low growth especially if reducing external account and/or fiscal deficits are necessary "good housekeeping" priorities of political economic policy.

VII.

BUILDING BLOCKS TOWARD STRATEGIES

The common themes within poverty - and especially absolute poverty - and its causation suggest common building blocks can be useful in strategies to alleviate and to reduce it. However, the different weights and interactions of the causal building blocks imply that the balance, articulation and prioritisation of strategies will vary not only from country to country but over time in any one country.

The initial steps toward a strategy involve:

a. **ensuring survival** in respect to ongoing calamities and catastrophes;

b. in particular **prioritising regaining peace and freedom from massive social disorder** if war and endemic disruptive to violent disorder exist;

c. using existing data to achieve a **rough operationally oriented map of poverty** causes and distribution and of existing programmes/resource allocations toward combating it;

d. sketching and beginning articulation/user perception checking and implementing programmes aimed at **tackling main features/causes of poverty in identified policy clusters** - whether by existing programme intensification/redesign or by alternative new initiatives;

e. designing and setting in motion a **data collection and analysis programme** to improve quality, coverage and detail of poverty and its change over time;

f. building **reporting and monitoring elements** into all poverty reduction/alleviation operations to allow evaluation both of results and of relative cost efficiency;

g. pursuing **macro economic policies** designed to achieve (or maintain) **economic good housekeeping** i.e. sustainable levels of balance (or limited imbalance) of fiscal account, external account, savings plus net inflows/investment, goods demand/prices (i.e. price inflation); and

h. achieving **rates of growth of output above those of population**.

The last two points are necessary - even if far from sufficient - conditions for sustained poverty reduction. Lack of economic good housekeeping renders all aspects of economic operations (public and private) vulnerable to catastrophic risk. Output growth below that of population means all additional allocations to poverty reduction have to be - literally - taken from the not so poor and not poor. Both in general and especially in poor/lower middle income economies that approach is politically near impossible. Allocating a substantial share of additional per capita resources from rising per capita output poses less massive political barriers. By the same token, rising output per capita creates incentives to invest (and profits out of which to do so) with positive impact on recorded employment, formal sector purchases from 'informal' (unrecorded) producers and demand for small farming household production.

At this first stage the priorities are to **save lives**, to **create macro economic conditions consistent with sustained poverty reduction**, to **build poverty reduction into overall budgeting and programme design** and to **launch some programmes clearly in the right direction capable of expansion and at least not self evidently cost inefficient or non generalisable for cost reasons**.

The last two points are not trivial. A transport infrastructure proposal to raise market access and household incomes in an isolated Tanzanian area in the early 1970's yielded costs so high that investing the capital cost at 6% and the proceeds to the households would have yielded them more . This cost inefficiency calculation did, in fact, cause the rejection of the project. Similarly the original District adult education - small household production demonstration/extension and related services "folk high school" in Tanzania over 1965-75 arguably did have a highly positive impact, but at unit costs which if generalised to all 120 odd Districts would have exceeded the entire projected national education budget. However efficient at reducing poverty, the approach needed major cost scale down (even at the price of less rapid poverty reduction in any one District served) if it was to be generalisable to a national strategic component. Similarly if - as is true in much of SSA - the bulk of agricultural extension has no demonstrable positive impact on small farmer output massive upgrading of fiscal allocations prior to restructuring (knowledge to extend? Staff quality and training? Availability of advised seeds, seedlings, inputs? Feasibility of advice for small farmers? Quality of pedagogy - i.e. intelligibility and appeal to small farming households - to achieve positive payoff makes little sense. Given that proven approaches in primary and applied adult education, primary health, rural and peri-urban water and small scale infrastructure usually exist, redesigning extension before refunding it at a quantitatively higher level need not be analogous to doing nothing.

At this stage full integration of programmes, let alone fine tuning are not feasible The opportunity cost of delay strongly implies action even if initially imbalanced so long as directions, cost/benefit ratios and implicit push to universal access costs are about right.

It is at the **second stage** (perhaps year three on) that strategic cross checking for coherence, coverage, interaction and balance require (and can be given) high priority.

At this point a detailed knowledge development programme designed and launched during the first stage should be able to provide data on:

- **Who** is poor?
- **Where** are they: geographically? occupationally? socially?
- **Why** are they poor?
- **What** measures/contexts could enable them to cease to be poor?
- **When** - under varying combinations of measures/contexts - would **how many** emerge from poverty?
- **How** can state policy provide means/contribute to contexts to reduce poverty?

For public policy and analysis purposes the appropriate unit is the **household** not the individual. In respect to **personal consumption** (and income) and **access to/use of public services** the basic source should usually be the Household Survey (including elements built into Agricultural and Small Business Surveys). Early Warning and Response systems augment in respect to future calamity impact on poverty and vulnerability. Data on **exclusion** are in part available from the same sources, but in respect to access to land, credit, participation, status (including but not limited to gender related issues) separate, less rigid surveys of poor and not so poor households (or of communities) are needed to amplify and to articulate them.

The main components of strategy derived from the data and analysis - including ongoing monitoring and evaluation both of the poverty baseline and of the particular measures taken and contextual changes transpiring - are likely to need to include:

a. **survival and initial rehabilitation of livelihoods** in respect to calamities (especially droughts and floods);'

b. productivity enhancement through **universal access to basic services**;

c. **productivity/income** enhancement via improved access to small scale local and other **infrastructure** and to **markets**;

d. creation of an **employment** enabling/generating climate primarily by the enterprise sector but not excluding public service provision and public works employment;

e. facilitation of **household access to resources** beyond labour and knowledge including land and credit;

f. provision of **safety nets** both to short term vulnerability victims (to alleviate their poverty and facilitate their return to 'not so poor' levels) and to not or **not fully empowerable** households, basically those in which the ratio of able hands to earn to mouths to feed ratio is too low primarily aged, crippled, female headed with one earner and several dependants.

To integrate these programmes into overall macro economic strategy is crucial for at least four reasons:

1. their **total cost is likely to be up to 10% of GDP and 30% of budget** - including universal access for all households (not only poor ones);

2. the basic challenge (except for safety nets) is not to set up special programmes for absolutely poor households but to **ensure universal access and sectoral** (e.g. agricultural extension) **programmes and are accessible to poor households in practice as well as in theory** - e.g. they are not barred by fees or negative selection by public service members (including near literal invisibility of some excluded groups to them). This may or may not mean specific sub-programmes e.g. rural health/nutrition activities logically cover all village households. But if poor farmers and/or female small farming household heads have patterns of crops and animals, production bottlenecks, input and animal power finance and

marketing problems significantly different from other small farming households, then separate sub-programmes may be needed within the main stream of agricultural research and extension;

3. **Trade offs** do exist among different instruments for direct poverty reduction and between them and allocations (e.g. national highways, power projects, higher education) necessary to secure and to maintain an enabling context (demand, employment, fiscal base for service expansion) for poverty reduction;

4. the **poverty impact** (direct and indirect) of **all major resource allocations and policies** needs to be **examined *ex ante* and checked *ex post*** which is almost impossible to secure without **mainstreaming the poverty reduction focus into main macro and sectoral activities**. This is especially true in respect to indirect impact.

One frequent example of indirect poverty reduction requirements has already been cited: access to vehicle and stock in trade finance for rural trader transporters. Ideally this would be via commercial banks and/or hire purchasing and leasing enterprises. It may require State guarantees or other incentives - most unlikely to include subsidising the borrowers. A second is the use of public works spending to create employment via labour intensive technique use:

a. for medium and small scale rural and peri urban works as a general policy; and

b. building on expanded programmes in respect to calamity alleviation.

The first category should not cost more than less labour intensive methods if properly designed and managed. Given their lower import and professional personpower requirements, however, up to 10% preference in bidding (e.g. to small and medium construction enterprises for rural building and road construction and maintenance) can be justified.

The second category is cost efficient if the value of the works produced significantly exceeds the non wage costs of the programme. The wage costs would presumably be needed (e.g. as free food distribution) for calamity alleviation safety nets. Therefore they are not an additional cost of the projects. In this case "contracting out" is unlikely to be efficient so that direct Public Works Department operations are normally appropriate. To be effective these require a 'shelf' of projects to call up and an ongoing core PWD operation which can be expanded rapidly when needed. That implies a mix of PWD and contracted out works in the normal labour intensive works programme.

A third example related to taxation and employment. If timber and products exports face import duties rising from 0% on logs and 5% on roughly sawed through 10% on simple products (e.g. lumber, plywood) and 15% on furniture and kits then an inverted parallel export tax (0% on furniture to 15% on logs) would level the playing field in external trade terms and, thereby, probably expand export earnings and downstream employment. It might reduce cutting (which in some cases is environmentally desirable), but this could in principle be offset by utilising a portion of proceeds for cost reducing logging area infrastructure as well as sustainability research, replanting and monitoring of conservation conditions of logging contracts. Bias toward the domestic market could be offset by sales taxes (not applying to exports) which - for administrative reasons - would need to exempt (and therefore give an incentive to) small household and mini enterprise loggers and processors.

The common features of these three examples - apart from potential relevance to poverty reduction - include the need for specialised analysis of a series of impacts (not just on poverty and employment) unlikely to be practicable for a poverty unit and more likely to be heeded if Ministries of Finance, Works and Natural Resources are primarily responsible from the start.

Third and subsequent stages amount to reviewing, refining, continuing and/or restructuring in the light of new data (including results of ongoing policies and programmes) and of altered contexts. It is in these stages that time and space for fine tuning and for attention to small, intractable pockets (social and occupational as well as geographic) will exist because the main framework for reducing main causes of poverty and clusters of poor households is in place and functioning.

Poverty reduction and **decentralisation** have both positive and negative interaction. Poor people in specific geographical contexts are the best basic source of data on the aspects of their own poverty and a crucial one on what changes in service availability and economic context would enable them to climb out of poverty. Transparency, accountability and input into the articulation operation and monitoring of programme components by users (poor and other) are most likely to be practicable and concrete at local level. Decentralisation of finance (including to domestic social sectors and users as users) can increase participation in respect to efficiency (relative to effective usable delivery). But totally local/district or state/regional financing of basic services among local government units with very different absolute poverty base lines has a negative impact because it tends to perpetrate limited service and local infrastructure access causes of poverty. Low productivity, low income, low local fiscal and household ability to pay, low services/infrastructure form a self perpetuating vicious circle. To offset this drawback of decentralisation does not require full central finance but 'tap up' or 'catch up' allocations to poorer, less well served districts and regions along the line of Australian Federal/State service provision budget interaction.

User fees - whether by domestic social sector, local government or local service provision unit - are not inherently unsound but nor are they a panacea. Multiplying sources of revenue does increase collection and administration costs but enhances total revenue only if the additional flows lead to greater efficiency - usually through user involvement beyond fee paying. In respect to effective access by poor people, either very low fees (rather limiting the revenue gain) or waiver provisions (which are very hard to operate except at individual unit level) are needed.

Care is needed to avoid charges which make little economic sense. In the case of health some type of group quasi insurance scheme (spreading risk and collecting when incomes are normal or high) is economically superior to a basically point of use charge system (maximising cost when illness has minimised income) at least for primary preventive, educational and curative services. In respect to education the difficulty - at least for poor households - is that education's payoff is in the future and thus unavailable to meet present charges. Water may be a more suitable case for a substantial user charge component - for human and livestock use and for small scale irrigation. Water purchase (from water carriers and/or well holders) is common in urban areas and the opportunity cost of fetching water in rural and urban areas is frequently high. Therefore, a present cost out of present income stream which can, in principle be tapped for user charges does exist.

In all three sectors purely economic logic as well as maintaining access for poor households suggests local user committees negotiating bloc packages of cash, materials and services with local delivery units (whether public or private). This approach spreads risk, allows exemption of known poor households, facilitates provision of items the value of which to the service provider is higher than the cost to at least some households. Such an approach can be negotiated at unit level within a budget guideline stipulating only what % of budgeted costs need to be raised by the unit and allowing user community/providing unit negotiation of a package of goods, services and cash.

Poverty reduction needs to be a key state priority if it is to go very far. However, if it is seen as only a government concern there is also likely to be little progress.

The roles of **central government** are strategic, framework setting and - at least for basic services and most infrastructure - financial leadership. Most implementation (and much project level articulation and selection as well as monitoring) can be most effective at **local government** level because user participation and joint ventures with the domestic social sector are easier to operate at that level.

Domestic social sector bodies (churches, mosques, women's groups, cooperatives, trade unions, small farming household groups, community organisations) are potentially important in service provision:

1. they are often closer to poor people than local or central government;

2. they can sometimes generate additional resources - usually most effectively in joint ventures with government and sometimes also with external partners;

3. in respect to services with economies of small size and a need for high inputs of "tender loving care" (e.g. street children's' homes, distressed individuals with personal problems beyond poverty) they often have district comparative advantages (except in raising funds) over direct government operated programmes;

4. they have substantial present service provision roles in several SSA countries and do build on the historic decentralised, pluralist and human contact group responsibility elements of many African societies in forms adapted to urbanised, monetised societies with more mobility and weaker extended family networks.

The basic producers of **marketed goods and services** are **households and enterprises** - not central (or local) government nor domestic social sector bodies. In both sectors survival/decent livelihood and its enhancement/generation of growth of output and surpluses (over costs of production and basic needs) are the driving motives within parameters relating to vulnerability limitation, socially accepted conduct and legal regulatory and incentive frameworks.

The importance of enhanced productivity of households and of employees (to allow increased wages) is directly relevant to poverty. However, the importance of household and enterprise sector output and investible surplus growth goes well beyond that. **Public services, infrastructure and safety nets cost money** - quite probably $150 per capita per annum in a low estimate for adequate provision in low to lower middle income countries. At present expenditure on these heads in low and lower middle income SSA is at most $100. Raising that to $150/capita in a decade while population grows 30% and real external assistance per capita stagnates or declines requires at least 6% to 8% domestic revenue growth. That growth rate is **only possible if taxable incomes and expenditures** (primarily of households and enterprises) **grow 5% to 7% annually**.

The stress on enterprise and household production growth does not imply there are not major state roles. Macro economic policy, allocation of expenditure, structures of taxation and of incentives, provision of infrastructure and of increasingly productive (because healthier, more educated, better nourished) workers are very important and, taken together, are likely to facilitate or to prevent sustained output growth, but they are not direct state production or employment but state facilitation of adequate demand, access to markets and sources of supply and of regulation and provision of incentives.

The case against expecting substantial state provision marketed production and of employment (beyond providers of basic services and both normal and safety net labour intensive public works) or of production of commercially marketed goods and services is not primarily nor necessarily ideological. SSA economies - with few and potentially temporary exceptions - do not generate adequate fiscal flows to go much beyond basic and some secondary/tertiary public services, basic infrastructure limited safety nets and economic management while human resource constraints are frequently as or even more binding. Since these are functions which either inherently cannot be provided by the enterprise sector or are not viable for it to provide except on contract to the state, they should take priority over employment and production roles households and enterprises can play. That conclusion is reinforced by the generally uneven - and often very poor - record of state owned enterprises.

A similar practical case exists for limited - but universal access - **safety net provision** by the state complementing extended family, domestic social sector and self financing (funded) social security. In practice that means survival oriented calamity relief, labour intensive public works, food (basic needs) purchasing power supplements for absolutely poor urban households and progress toward a universal old age pension in a growing number of states.

The case is not that this core safety net scheme is optimal nor that extended family/social sector arrangements are inherently better. The first contention is hard to support; the second is true in some but by no means all respects. Rather the reality is that attaining even this core net poses formidable fiscal, personnel and institutional challenges for a majority of SSA states. **The Northern debate on overprovision of welfare support and underprovision of incentives to restore and to enhance earned livelihoods is largely irrelevant to SSA except in respect to the risk of fiscal overload**. Public sector financed safety net and related (welfare/pension) expenditure in main industrial economies virtually always exceeds 20% of GDP and often is substantially higher. The comparable African levels are at or below (often far below) 10% in respect to per capita output usually under a fortieth as high. Fiscal practicability, not desirability consistent with maintaining incentives to rehabilitate earned income, is the dominant present barrier to human security expenditure expansion and, with few exceptions, will remain so well into the 2000s.

Finally the bottom line in reducing poverty is **poor people in poor households**., This is intellectually and humanly fairly self evident but is often overlooked in programme, project and expenditure design. Poor households ability to use basic services and to raise productivity/incomes will make or break any poverty reduction strategy.

In turn the ability to ask to look, to listen and to see, to hear and to respond to poor persons is crucial to achieving a belief in (and therefore sustained efforts toward) using anti poverty measures to rebuild livelihoods. True poor people are rarely experts on macro economic policy, nor on how to facilitate growth of large, taxable capacity generating enterprises. But they are the people most keen on clawing their way out of poverty, most expert on direct constraints on doing so and most able to indicate whether particular policies, programmes and articulations are or are not user friendly for them. **Poverty is the target, not poor people** who are the primary means as well as the validating end for priority to poverty alleviation and reduction.

Prognostication is always dangerous - not least in SSA. Three key elements are clear:

1. In the context of peace rapid poverty reduction is perfectly economically feasible;

2. There is a growing political concern (globally as well as in many SSA countries) about the costs - human, social, political and economic - of entrenched growing poverty;

3. Whether widespread breakthroughs are practicable over the next decade will depend to a significant extent on whether qualitative governance (both political and economic) breakthroughs are made in four large states - (Sudan, Zaire, Kenya, Nigeria - and whether the early 1990's breakthroughs in two more - South Africa and Ethiopia are sustained. About half of the population of SSA lives in these six states and their regional impact is crucial to climates of good governance and of economic advance facilitating poverty reduction strategies and setting African promulgated and pushed minimum standards of decent governance in terms of participation, probity, equity and competence.

To be optimistic - especially after 1979-90 - is not easy nor, perhaps, wise. But 1990-96 has seen progress in respect to governance, peace and poverty reduction in a significant number of states. In respect to both Sudan and Zaire systemic changes likely to be positive domestically, and for the Horn and Central Africa more generally, do appear more likely than not before the millennium. **Neither nationally** - including in small states already making a start or building on real if limited achievements - **nor sub-regionally and continentally - is their any objective justification for self fulfilling "Afro Pessimism"**.